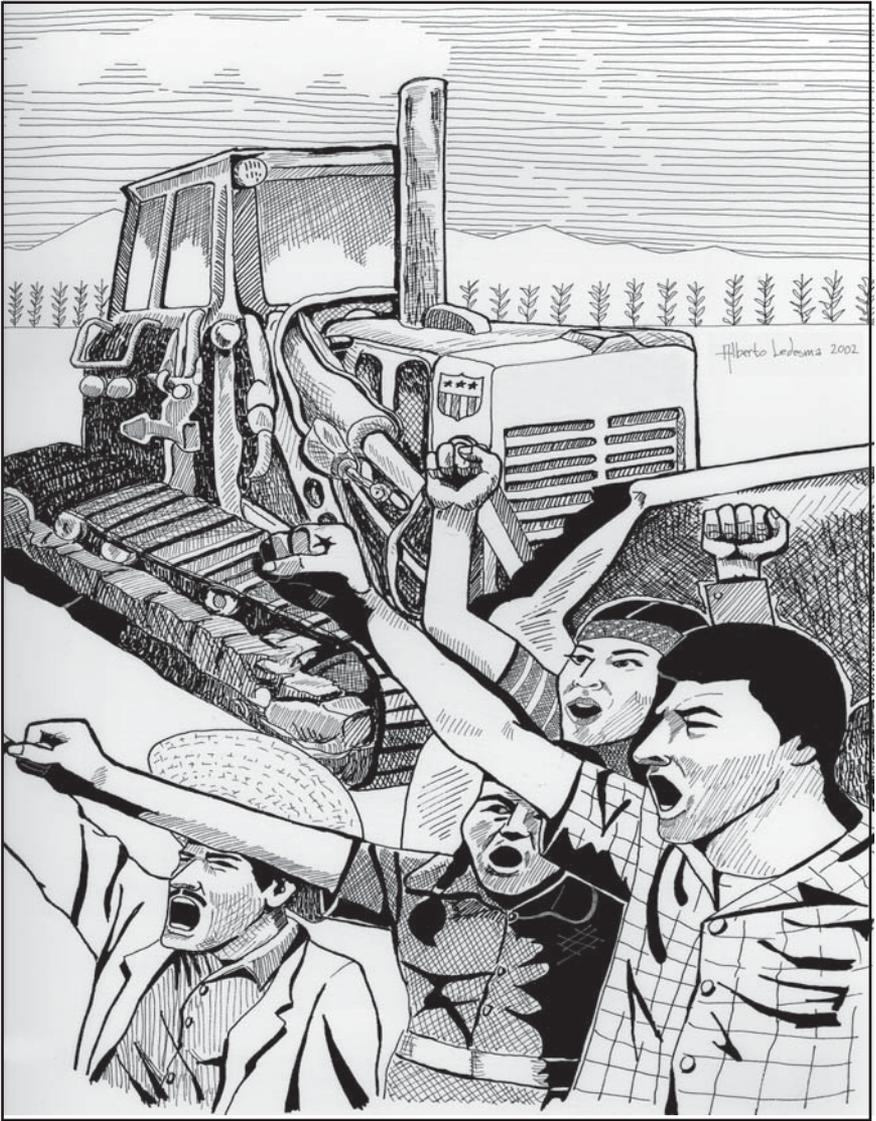


# PLAN PUEBLA PANAMA



## BATTLE OVER THE FUTURE OF MESOAMERICA

(2nd EDITION: 2004)

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# OVERVIEW

## PLAN PUEBLA PANAMA: BATTLE OVER THE FUTURE OF MESOAMERICA

*Brendan O'Neill, ASEJ/ACERCA (USA)*



In July 2001, Honduran community leader Carlos Flores is assassinated in front of his family for opposing construction of a hydroelectric dam in Sierra de Agalta National Park. In May 2003, two Zapotec indigenous men from Oaxaca, México, are beaten and thrown in jail after blocking the Pan American Highway to demand the release of Carlos Manzo, imprisoned for his opposition to an industrial shrimp farm. In El Salvador, dozens of families are displaced by the construction of a massive beltway around the city of San Salvador.

Linking all of the above people, places and violent events is one massive region-wide network of megaprojects that is literally paving the way for corporate globalization from Puebla, Mexico, to Panama called Plan Puebla Panama (PPP). As organized resistance unveils the PPP's true purpose, it is increasingly apparent that this megaproject represents one of the greatest threats to the social, economic and ecological integrity of Mesoamerica.

### What is Plan Puebla Panama?

First introduced by President Vicente Fox of Mexico in 2001 and later joined by all Central American Presidents, the PPP is a \$10 billion, 10 to 25 year regional integration project to create and interconnect transportation routes, industrial corridors and a variety of infrastructure projects throughout Mesoamerica (Southern Mexico and Central America), and firmly root the global "free trade" agenda in the region. Fox promised the PPP's industrial corridors and transportation routes would bring the NAFTA model to a "backward South," and now the US-Central America Free Trade Agreement (CAFTA), the Free Trade Area of the Americas (FTAA) and the PPP are combining forces to do just that. Multilateral banks, private industry and the Central American public are providing the capital, loans and resources to fund this controversial megaproject.

The primary objective of the PPP is to consolidate what is, in fact, a highly

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**It is increasingly apparent that this megaproject represents one of the greatest threats to the social, economic and ecological integrity of Mesoamerica.**

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contested neoliberal “vision of development” in Mesoamerica, which includes:

- Privatizing land, resources and basic services.
- Attracting foreign investment through the privatization of transportation infrastructure, industrial zones and energy markets.
- Promoting and enhancing the profitability of, and dependency on, export-oriented neoliberal development.
- Shifting from locally- to corporate-owned forms of agriculture, forestry and industry.

Officially, the PPP promotes eight different initiatives: sustainable development, human development, prevention and mitigation of natural disasters, tourism, facilitation of commerce, transportation, interconnection of electricity and integration of telecommunications services. However, despite the human face some of the initiatives bring to the PPP, in reality the transportation and electrification initiatives – both of which are key to the advancement of corporate globalization in the region – account for 92% of the over \$5 billion budgeted so far for the PPP.

### **The PPP’s region**

Geopolitically, Mesoamerica’s position is very precarious. The region is located just south of the world’s most powerful military and political-economic force and is the only narrow strip of land between the world’s fastest growing production sites in East Asia and the largest consumer markets in the eastern United States and Western Europe. Thus, the region’s strategic location, highly coveted biodiversity and its peoples’ growing rejection of the “free trade” agenda, make Mesoamerica both the linchpin and Achilles heel for the advancement of global capitalism.

### **PPP: Pavement, Privatization and Poverty**

The PPP’s primary “arteries” include two “industrial corridors” from Puebla, Mexico, to Panama, supported by a network of roadways and “dry canals” that link important ports, “free trade” zones (sweatshop-dominated, export-processing zones), and transportation routes. Additionally, the PPP creates and facilitates the privatization of a hemispheric-wide energy grid connecting the energy sector of South America, by way of Colombia, to Central America and Mexico. Each primary “artery” of the PPP – such as the region-wide energy grid – is linked to a series of secondary veins of megaprojects – in this case, hydroelectric dams – that may or may not be “officially” part of the PPP. This intersection between *official* PPP projects and even more controversial PPP-*related* projects reflects a calculated decision on the part of PPP designers to mask the plan’s most controversial components. Therefore, to truly understand the PPP, we need to study not only its individual projects, but also how the PPP fits into a regional and global “development” framework.

The focus and massive scale of the primary arteries alone shed light on the

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fact that the PPP is not a plan to “develop” the “backward South” to benefit the region’s poor majority or protect its rich biodiversity, as claimed by promoters. Rather, the PPP is a global project that enables transnational corporations and the regions’ elites to profit from the flow of goods across the region to consumers in the North as it displaces and destroys local communities, economies and ecology.

It is no accident that the PPP offers rural peoples little choice but to abandon, or be forcefully removed from, their lands and migrate to cities to compete with other workers for inhumane sweatshop jobs. Indeed, the PPP builds upon a regional legacy of genocide and ecocide, systematically attacking the areas’ diverse cultures and environment by restructuring Mesoamerica to favor US and local political and economic interests, and by tightening the grip of transnational corporations on the regions’ diverse and abundant natural resources and labor force.

### **What’s New with the PPP?**

Since the first edition of this booklet was published, the PPP has been extended to include 402 km of roadways that connect the Atlantic and Pacific corridors in southern Mexico to the NAFTA infrastructure and markets of the US and Canada. On the US side of the border there is an onslaught of new super-highways, industrial corridors and roadways being built that link to PPP infrastructure in the south. Additionally, the PPP has a southern twin called the Integration of Infrastructure in the Region of South America (IIRSA), which will extend the same PPP-style network of megaprojects throughout South America.

As of February 2004 the International Network of Mesoamerican Roadways (PPP’s road integration initiative, known as RICAM in Spanish) has received 83% of project funding, 76% of which has been allocated to the project’s Pacific Corridor. Another significant development is that Panama, Costa Rica, Nicaragua, Honduras, El Salvador and Guatemala have signed an agreement approving the creation and privatization of the regional energy grid known as SIEPAC. With loans from the Inter-American Development Bank (IDB), construction of SIEPAC is to begin in 2004. Additionally, Mexico and Guatemala signed an agreement to connect their energy grids. Most recently, Colombia, Latin America’s largest recipient of US military aid, has expressed interest in formally being included in the PPP.

Thus far, slightly less than 50% of all PPP projects have received funding, testament to the success of a growing and widespread grassroots resistance to the PPP throughout the region. Increasingly fearful of civil society’s ability to stop the PPP, the IDB has recently invested additional resources into conducting voluminous environmental impact assessments and hired a public relations firm to determine how to put a gentler face on the PPP.

### **Another Mesoamerica is Possible!**

This second edition of *Plan Puebla Panama: Battle Over the Future of*

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*Mesoamerica* is meant to unmask the lies of “development” that the PPP promises and to inspire mobilization against this corporate-conceived plan. From Puebla to Panama and beyond, local, national, regional and global networks of social movements are building grassroots cross-border resistance and alternatives to the PPP.

Organizing to stop the PPP is a major challenge. The lack of information about and magnitude of the project make it easy for PPP sponsors and profiteers to hide the destructive activities of the plan and avoid accountability. Reports of engineers arriving unannounced in communities hauling survey equipment, bulldozers and work crews are on the rise, and make it clear the PPP is moving forward. Nonetheless, key struggles you will learn more about in this booklet, such as those in the Mexican state of Puebla, in the city of San Salvador and in Nicaragua, have been successful in stopping official parts of the plan cold.

In July 2003 the Fourth Mesoamerican Forum against Plan Puebla Panama was held in Honduras. As with the first three forums held in Mexico, Guatemala and Nicaragua, the thousand-plus delegates who gathered in Tegucigalpa rejected Plan Puebla Panama, the FTAA, CAFTA, all so-called ‘free trade’ agreements and the accompanying militarization of the region. A growing Mesoamerican network of diverse organizations and coalitions is clearly not looking to the IDB or the PPP for solutions to regional problems. Rather, this growing resistance is part of a much larger struggle to topple neoliberalism, from its most local to its most global form, and to build, from the bottom up, the necessary relationships, processes and structures to globalize justice.

This booklet adds a voice of solidarity from the US and Canadian-based Network Opposed to Plan Puebla Panama (NoPPP) to the struggle of our *compañeros* and *compañeras* in the Mesoamerican frontlines – communities and activists hard at work, sometimes paying with their lives, to halt implementation of the PPP and promote equitable, locally-planned and ecologically-sound forms of social and economic change.

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## PRIMARY PPP INSTITUTIONAL SPONSORS

■ **Inter-American Development Bank (IDB):** With an annual lending capacity of \$8.5 billion, the IDB is the world's largest regional development bank and, for nearly a decade, has been the greatest source of multilateral financing for the *Mesoamerican* region. As chief PPP financier, the IDB jumpstarted the megaproject in 2002 with a line of credit worth \$4.02 billion; as primary intellectual architect, it promotes an illusion of consensus around the controversial notions of development that underpin the plan. With lower environmental and social standards than those at the World Bank, the IDB is even less transparent and open to public scrutiny. Yet growing citizen capacity to block unwanted PPP projects has propelled the IDB to invest increasing resources into extensive environmental impact assessments and high-priced public relations services to give a facelift to the PPP's deteriorating image.

■ **Central American Bank for Economic Integration (CABEI):** Founded in 1960, CABEI has become the second most important lending institution in Central America, providing 47% of total multilateral financial flows to the region over the last three years. In 2004, CABEI announced it would lend as much as \$8 billion to Central America in the next five years, dwarfing the potential lending of both the IDB and World Bank. The second largest contributor to the PPP, CABEI took over a \$700 million segment of the IDB's PPP operational portfolio. The growing share of CABEI financing is of great concern, since its lower profile and lack of any discernible environmental, transparency or accountability standards have made it the lending institution of choice for controversial, "high risk" projects, such as highways and dams, that face strong civil society opposition. Moreover, the IDB, which *is* regulated by such standards, claims it can only enforce them if a project is publicly financed – in other words, not co-financed with CABEI monies.

■ **World Bank:** The World Bank-sponsored large-scale, multi-million dollar PPP project known as the Mesoamerican Biological Corridor is highly controversial. Its purported aim is to link discrete, protected ecological areas to "protect" biodiversity, yet critics argue that once these areas are "united" and "managed," foreign corporations will gain further access and control over their unique resources while local peoples will be forcefully displaced.

*Ultimately, the people of Mesoamerica will pay the highest price for the PPP, as multilateral loans mature and debt increases, drawing scarce government resources away from essential social programs and services and furthering the grip of Structural Adjustment Programs on the region.*

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## PPP CORPORATE PROFITEERS

■ **International Paper (IP)** promotes genetically engineered tree technology - what the Rainforest Action Network calls “one of the gravest future threats facing endangered forests.” A commercial plantation owner in Mexico, in 1995 the company issued a letter to the government conditioning its future investments on industry deregulation, tax incentives and curbing of indigenous autonomy. IP urged limitless extensions of privately-owned forests and indicated that if its terms were met, it would plant 300,000 hectares of eucalyptus on what were, at the time, indigenous and communal lands. The Mexican Congress subsequently passed controversial forestry legislation incorporating these “recommendations,” and the World Bank released loans for additional plantations.

■ **ENDESA** is a principal investor (\$45.8 million) in the \$320 million regional energy interconnection initiative known as SIEPAC, which will create and privatize an 1830-kilometer regional energy grid. Notorious for its disrespect of indigenous peoples, the Spanish corporation recently won a 10-year battle to build the third largest dam in the world in Chile, which will inundate the Pehuenche peoples’ traditional lands.

■ **Harken Energy** is a US corporation with oil and energy interests throughout Mesoamerica. In 2003, Costa Rica canceled a Harken drilling contract after determining the company’s plan would violate environmental impact laws. In response, Harken sued Costa Rica for \$57 billion - more than eleven times the country’s national budget of \$5 billion. After Costa Rica agreed to negotiate, Harken withdrew the suit, but further legal action is likely since Costa Rica recently refused to pay compensation. In the US, Harken is known for accounting irregularities, asset exaggeration, tax evasion and alleged insider trading by George W. Bush, Jr., while a Director.

■ **Delasa and Prescott Follett & Associates** jointly purchased a 25-year lease on the privatization, port modernization and creation of megaprojects (including free trade zones and road expansion) in the port town of Bilwi-Puerto Cabezas, Nicaragua, in 2000. The joint venture has been rocked by scandal and corruption ever since. Having failed to make promised repairs to the port, the two US companies left it in such a precarious state as to be nearly unusable, resulting in dramatic increases in transportation costs and local food prices.

■ Among hundreds of other corporations likely to profit from the PPP are: *in energy*: Applied Energy Services, Duke Energy; *in ports and transportation*: Hutchinson Port Holdings, Empresas ICA; *in plantations*: Boise Cascade, Grupo Pulsar, Temple Inland; *in petrochemicals*: Exxon, Mobil, Shell, Dow Chemical, Union Carbide; *in bioprospecting*: Monsanto.

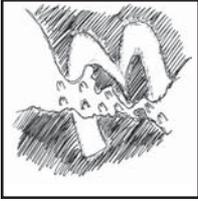
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## **FREE TRADE AGREEMENTS AND THE PPP: THE TWO HEADED MONSTER OF NEOLIBERALISM**

*Tom Hansen, MSN (USA)*



Free trade agreements (fta's) are key to the development of Plan Puebla Panama, the idea being that Latin American countries will “develop” their way out of poverty by providing cheap maquiladora labor and natural resources for the US market. As national borders disappear for transnational corporations, (but not for workers), industrial leaders and the ruling class in the South benefit handsomely from neoliberal policies at the expense of the majorities who sink into worse poverty.

In Mexico, the heart and sole of the neoliberal experiment, the poorest two-thirds of the population lost more than half of their purchasing power since the mid 1980s, and about 60% of the population lives in poverty, yet political leaders support neoliberal policies because they benefit elites.

Free trade policies, which play a central role in the neoliberal model, take many forms - the World Trade Organization (WTO), the Free Trade Area of the Americas (FTAA), the US-Central America Free Trade Agreement (CAFTA), the North America Free Trade Agreement (NAFTA), and a series of bilateral accords negotiated with the US. All these mechanisms have the same general goals - reduce government intervention and allow the market to set the rules. Since the largest transnational companies actually control the markets and set the rules, they can easily overpower smaller competitors.

For example, WalMart began purchasing retail outlets in Mexico in 1991 in anticipation of NAFTA. Today WalMart is the largest retailer in the country. For every job created by WalMart, about 1½ jobs are lost as smaller competitors are forced to close up shop, and profits are repatriated directly to the United States. In the WalMart example, Mexico provides cheap labor for a transnational corporation that services perhaps 20% of the population, while wealth is concentrated in the United States, hence no expansion of internal markets and no national development.

Recent hemispheric opposition to free trade, in particular to the WTO and the FTAA, is centered in Brazil - South America's powerhouse, which competes directly with the US in agriculture, steel and automobiles. Brazil joined with other Southern countries, notably India and Argentina, to derail WTO negotiations in Cancun last year over the issue of US subsidies for corporate grain producers.

This is also one of several important issues in stalled FTAA talks. Corporate grain subsidies combined with free trade policies allow ADM and Cargill to control international grain markets, driving environmentally sustainable and small-scale producers out of business in favor of corporate production techniques that rely heavily on petroleum and polluting chemicals. Over a million small corn producers in Mexico lost their lands in the last decade, unable to

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compete with subsidized US corn. Millions are forced into the shrinking maquiladora labor market or, increasingly, into undocumented migration in search of jobs in the US labor market.

With the FTAA and WTO on hold, US negotiators are pinning their hopes on weak and pliable Central American leaders, hoping to use CAFTA to revive FTAA and WTO negotiations. A recent analysis of CAFTA by the Bloque Popular of Central America and the Alliance for Responsible Trade warns that CAFTA will:

- Expand “dumping” of agricultural products, driving smaller-scale producers out of business.
- Do nothing to ensure enforcement of internationally recognized labor rights.
- Expand NAFTA’s controversial investment chapters, prohibiting Central American governments from setting rules ensuring that foreign investment serves local development goals, and giving foreign investors the right to sue governments if national laws, particularly labor and environmental regulations, undermine potential profits.
- Inhibit the production of essential generic medicines because of new patent laws.

The key issues are the same, no matter which free trade forum. When US corporations can’t win in one place, they simply move to another in an effort to establish a new bottom line that will affect all free trade forums. Chapter 11 was introduced for the first time in NAFTA, allowing corporations to sue governments for laws that limit their ability to make a profit, thereby threatening the very foundations of national sovereignty and democracy by inhibiting the ability of government to legislate in the public interest. Now Chapter 11 provisions are standard in US-sponsored free trade agreements.

Of equal concern is the one-size-fits-all nature of trade agreements. Small local producers are forced to compete against multi-billion dollar transnational corporations, and you can guess the inevitable winner. This means concentration of wealth and power in corporate hands, with fewer options and choices for people throughout the hemisphere.

Together the various free trade agreements and the PPP represent the two-headed monster of neoliberalism. On the one hand, fta’s rewrite the region’s laws and policies for the benefit of transnational corporations and the region’s elites, while on the other, the PPP provides a network of physical infrastructure, easy access to natural resources and a new army of cheap labor for “development” of the Isthmus of the Americas. Concerned people should ask, first and foremost, who wins and who loses; then join millions of Latin Americans in resistance.

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# ISSUES

## PPP TRANSPORT INTEGRATION INITIATIVE

Vincent McElhinny, *InterAction (USA)*



The integration of Mesoamerican transport systems is one of the most advanced and rapidly proceeding PPP initiatives. The Multilateral Development Banks have identified high transport costs as one of the central constraints to regional competitiveness under an eventual CAFTA or FTAA. This has generated a massive infusion of mostly public funding for new and improved highways, ports and airports that will eventually generate greater than \$5 billion in new debt (about 15% of the region's total external debt).

The principal PPP transport goal is to upgrade, expand, harmonize and then privatize (through concessions) a substantial transportation grid totaling 9,450 km of Mesoamerican highways. In addition, the initiative is accelerating the deregulation and possible privatization of some 13 regional ports, as well as the consideration of various east-west "dry canal" multimodal freight hauling routes.

The planned highway investments in MEXico and Central America for which the IDB and Mesoamerican governments are seeking funding between 2002-2006 are estimated to cost \$4.49 billion. Of the total necessary investment, over 50% is currently unaccounted for. Around \$1.5 billion is expected to come from national budgets, and only 18% of the total cost has so far been committed by multilateral or bilateral finance (CABEI – 10%, IDB – 6%, and Bilateral agencies – 2.2%).

Along with upgrades and improvements, the PPP highway grid also includes some 1008 km of new construction, including:

- 262 km new coastal toll road from Tecún Umán to Ciudad Pedro Alvarado, Guatemala (alternative to CA Highway)
- 407 km two lane highway between Modesto Mendez and Ingenieros, Guatemala (near MX border)

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**The Multilateral Development Banks have identified high transport costs as one of the central constraints to regional competitiveness under an eventual CAFTA or FTAA.**

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- 40 km of five lane beltway around southern half of Guatemala City
  - 153 km highway between Acoyapa and San Carlos, Nicaragua
  - 167 km highway from Rio San Juan to Santa Clara, Costa Rica
  - 40 km toll road between Chilibre and Colón, Panamá
  - 95 km of new highway between Mile 30 of the Western Highway and Jalacte, Belize-Guatemala border

The list of highways to be included in the PPP grid is a moving target, constantly changing in response to public awareness and opposition. The Guatemalan government has been the most aggressive, although so far unsuccessful, in attempting to include controversial highways that illegally transect protected forests in the Petén. While the Petén road may be rejected as a PPP road, the Guatemalan government may choose to fund it with state funds simply because of its logical connection to other PPP funded highways. Similarly, highway projects from Bluefields and Puerto Cabezas toward the interior have at times appeared, and then disappeared, from the official IDB roads matrix.

### **Communities Organize to Block Beltway Project in San Salvador**

The \$700 million, 64 km Anillo Periferico (beltway) around San Salvador is the paradigmatic of a controversial and aggressively pursued PPP roads project. While the IDB has flip-flopped about whether this six-lane superhighway is within the PPP portfolio, the Anillo is logically integrated with the Pacific Corridor and is financed by PPP donor institutions like the CABEL.

The construction of the Anillo Periferico is a central part of the overall integration project, since it is designed to facilitate the rapid transportation of heavy materials into and out of the *maquila* production and commercial center of Metropolitan San Salvador and connect it to the soon-to-be deepest and most important pacific coast port in all of Central America, Port of Cutuco in southeast El Salvador.

Half of the Anillo Periferico has been built. The other half has been effectively blocked. Many communities that would be affected by the construction of the final two segments, represented by the Association of Communities Affected by the Anillo Periférico and Bypass (ACAP), have actively organized opposition to further construction. Intense organizing over the past two years to raise awareness about the costs associated with any new Anillo construction has paid off. The IDB, citing a lack of environmental impact analysis, has refused to finance the project, the four affected mayors have all pronounced against it, and so far, community resistance has effectively postponed any construction.

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## ROAD INFRASTRUCTURE INTEGRATION

The PPP roads interconnection initiative consists of the Pacific Corridor Road Integration Project, which will stretch from Panama to Puebla, Mexico, and incorporate various highways and feeder roads, connecting them to a parallel Atlantic coast roads system. It will also link ports and roads along the two coasts and throughout the geographic area of the Plan, as well as provide convenient access between Asia and the U.S. market. The initiative includes other transportation sectors as well, such as railways, internal waterways, and maritime and aviation lines.

These transportation corridors are primarily oriented to service external markets and are accompanied by a process of customs and border modernization initiatives that will further facilitate interregional commercial traffic. The primary beneficiaries of this massive infrastructure will be large multinational corporations that will see their transportation costs reduced.

The main purpose of these infrastructure improvements is not the integration of Central American regional markets, which would strengthen local development. Rather the focus is oriented to guarantee the traffic of merchandise *through* the region, taking advantage of its strategic geographic location and resources, but ignoring those areas reliant on subsistence agricultural production where the greatest poverty exists. In effect, the Mesoamerican region will act as funder, launching pad, and interconnection point for the market's quest to expand international capitalism.

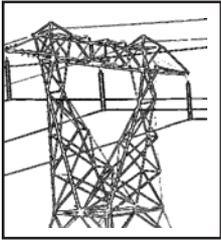
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## PPP ENERGY INTEGRATION INITIATIVE (SIEPAC)

Vince McElhinny, *InterAction (USA)*



PPP's electrical interconnection initiative seeks to improve the region's power infrastructure and create a regional energy market to reduce the cost of energy and expand energy capacity by privatizing and interconnecting the region's energy market. SIEPAC (the Spanish acronym for Electricity Interconnection System for the Central American Countries) constructs a 1830 km of 230 kV energy distribution line between southern Mexico and Panama.

The total cost is \$320 million, excluding investments to the Mexican grid. The project also includes a \$40 million, 88 km 400 kV interconnection between Guatemala and Mexico, and a \$30 million, 195 km 230 kV interconnection between Guatemala and Belize. A \$200 million interconnection between Panama and Colombia is also under review.

SIEPAC is the vanguard project of Plan Puebla Panama – an extremely high profile initiative for the IDB, Mexico and Central America that is coming under both increasing criticism from social movements and indifference from potential investors who sense that the initiative is stalling out. The IDB claims SIEPAC will lower the costs of energy distribution by 20% (from the current \$0.11 per kWh to \$0.09 per kWh in 2010). The construction of the new transmission line is expected to begin in 2004 and be operable by 2007.

SIEPAC is the most advanced of all PPP mega-projects in terms of its institutional design and allocation of funding. The initiative creates two supranational institutions – a Regional Regulatory Commission over Electrical Interconnection and a Regional Operations Entity – both have greater authority over key energy decisions than national governments. The Entidad Propietaria de la Red/Linea (EPR/EPL), a consortium of mixed public and private capital, owns the transmission line and includes as members the region's electric power companies – CEL of El Salvador, ENEE of Honduras, INDE of Guatemala, ETESA of Panama, Grupo ICE of Costa Rica, and ENEL of Nicaragua. The EPR is the official borrower of the loans to finance SIEPAC and establishes the fee for using the transmission line.

The Spanish energy giant, ENDESA, is also a major shareholder. Endesa invested 20% of total SIEPAC investment, \$70 million comes from a Spanish trust fund at the IDB, while \$35 million comes from the state-owned utilities in-kind contribution of land and equipment and the balance (53%) comes from IDB loans (ranging from 25-40 years, interest rates ranging from 1-6%).

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**Consumer  
advocates,  
hydroelectric dam  
opponents and  
environmentalists  
have spearheaded  
fierce opposition to  
SIEPAC.**

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The construction of a regional energy grid proposes to stimulate investments of an estimated \$700 million per year in additional energy generation over the next decade through the construction of hydroelectric, geothermal, natural gas and biomass power plants.

Consumer advocates, hydroelectric dam opponents and environmentalists have spearheaded fierce opposition to SIEPAC. They believe a privatized regional energy grid will do nothing to benefit poor households, with increased user fees, displacement of communities in the wake of energy mega-projects, weaker environmental commitments and increased control and power of foreign transnational in the region.

### **Growing Influence of Transnational Corporations**

ENDESA will be the primary shareholder in the SIEPAC along with representatives of the six public utilities in the region. While the IDB claims that ENDESA is an associate of SIEPAC like the others, this energy giant that ranks as the 22<sup>nd</sup> largest firm in the sector with a total worth of some \$16 billion and control of 10% of Latin America's electrical generation capacity (larger than the GDP of Nicaragua, Honduras and El Salvador), will surely exercise a great deal more decision-making power.

SIEPAC is a textbook example of privatization and deregulation opening up the doors for TNC's to own and operate multiple energy generation and distribution networks in the region. Energy privatization has advanced quickly in Central America. Over 50% of state electricity generation capacity has been transferred to foreign transnationals since 1995. This has placed the energy market in the hands of fewer and fewer TNCs. For example, Applied Energy Services (AES) owns 50% of energy generation in Panama and 80% of the electrical distribution in El Salvador and has plans to build a large generating station in Honduras with a direct transmission line to El Salvador.

SIEPAC is the ticket for foreign direct investment in the Central American

energy generation market, which is estimated to reach \$700 million annually. Current regional energy capacity is 7,500 megawatts and is predicted to increase almost fourfold over the next 30 years to 26,000 megawatts. Current energy demand in the region is 5,000 megawatts and is expected to increase by 550% in 30 years to 22,000 megawatts.

New power generation includes both hydroelectric, gas-combustion and thermal units. Private sector firms are leaning away from investments in new

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**SIEPAC intensifies and accelerates energy expansion and privatization in Central America in a secretive and undemocratic manner, often through conditions of structural adjustment loans or trade treaty obligations.**

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hydroelectric dams because they are too expensive and raise political concerns that affect quick cost recovery. As for natural gas, there is no gas in Central America so it must be imported from Colombia, Venezuela or Mexico. Consideration of a gas pipeline project from Mexico or Colombia persists, but with the collapse of Enron, the original investor in this venture, the project is on hold. Liquid natural gas is also shipped by sea from Trinidad and Tobago to a liquid natural gas plant in Puerto Cabezas, Honduras owned by AES.

SIEPAC intensifies and accelerates energy expansion and privatization in Central America in a secretive and undemocratic manner, often through conditions of structural adjustment loans or trade treaty obligations. A recent study by CEPAL shows that where privatization has proceeded the most quickly, the benefits are few for the average consumer.<sup>1</sup> Typical household prices for energy in the leading energy privatizers, El Salvador and Panamá, are as much as double what they are for countries where energy production and distribution remain fully or partially state owned and operated – Costa Rica and Honduras.

The energy initiative of the PPP clearly places investor interests over the interests of the majority of the regions' people as demonstrated by the TNC's increasing control of the region's energy resources.

<sup>1</sup> CEPAL (Nov. 2002) Consolidation Process of Wholesale Electricity Markets in Central America.

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InterAction IDB Civil Society Initiative, 1717 Massachusetts Ave. NW, Suite 701, Washington, DC 20036 USA, (202) 667-8227, [www.interaction.org/idb](http://www.interaction.org/idb), [vmcelhinny@interaction.org](mailto:vmcelhinny@interaction.org)

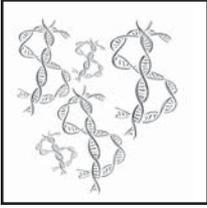
### **PRIVATIZATION OF THE REGIONAL ENERGY MARKET**

The PPP's creation and privatization of a regional energy grid and market represents a new frontier in the US-led battle over the diminishing energy resources on the planet. As the US led "war on terror" demonstrates, rich countries' dependence on fossil fuels to fuel their economies is spreading terror to communities and environments all over the world. The PPP's energy initiative opens doors for transnationals to exploit and control Mesoamerica's energy market, contributing to the systematic destruction of rural and indigenous peoples' attempts to control and protect their own natural resources and accentuating global climate change.

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## THE MESOAMERICAN BIOLOGICAL CORRIDOR: BIODIVERSITY FOR SALE?

*Gian Carlo Delgado Ramos, UNAM (Mexico)*



The area encompassed by Plan Puebla Panama is exceptional for its biological diversity. While the region constitutes only 0.5% of the world's land mass, southern Mexico and Central America contain over 7% of the known species in the world. Coupled with the massive coral reefs off the Atlantic and Caribbean coasts, this represents a virtually unsurpassed variety of plants and animals.

Two new projects supported by the World Bank – the Mesoamerican Biological Corridor and the Mesoamerican Coral Corridor – purportedly aim to protect biodiversity in the PPP region while supporting local livelihoods. However, local indigenous people have reason to suspect that the motives behind these projects are to allow these resources to be extracted by transnational corporations rather than protecting them for local use – in essence, constituting a “greenwashed” version of Plan Puebla Panama.

The Mesoamerican Biological Corridor encompasses an area that includes the Mexican states of Campeche, Yucatan, Quintana Roo and Chiapas, in addition to a large swath of Central America – a total of 102 million hectares of unsurpassed biological and cultural wealth. The Mesoamerican Coral Corridor includes the major coral reefs of Mexico, Guatemala, Belize and Honduras, extending from the southeastern half of the Yucatan peninsula to the Bay Islands in Honduras and including the second largest coral reef in the world.

Sponsors of the two corridors include the World Bank and its Global Environmental Facility (GEF), numerous Secretaries of States of the countries through which the corridors pass, national and international investors, the Central American Commission for Environment and Development, as well as local, national and international non-governmental organizations (NGOs).

A key player in these projects is the international non-profit Conservation International, on whose board sits Alfonso Romo, head of the multinational biotechnology giant Grupo Pulsar. This organization has come under fire for its reported role in promoting the displacement of indigenous families living near the Montes Azules Biosphere Reserve in Chiapas, as well as for signing alleged agreements of mutual cooperation with multinational biotechnology and pharmaceutical corporations.

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**While the region constitutes only 0.5% of the world's land mass, southern Mexico and Central America contain over 7% of the known species in the world.**

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For such companies, these areas are a gold mine, each with unstudied species representing the potential to yield new products and therefore greater profits. Yet for local peoples, the patenting by foreign companies of plants and other species used in their daily lives and rituals constitutes “biopiracy,” or the theft of biodiversity and indigenous knowledge through patents.

The practice of “biopiracy” deprives local communities in three ways:

1) It is intellectual theft, creating a false claim to novelty and invention that denies those in the South recognition of their creativity and intellectual resources;

2) It diverts scarce biological resources to monopoly control of Northern corporations, depriving local communities and indigenous practitioners the use of local resources; and

3) It creates market monopolies, excluding the original innovators from their rightful share of local, national, and international markets.

As just one example of the harm that this can cause, under today’s intellectual property laws, many companies are now recognized as “owners” of particular seeds. This perversion equates small farmers who try to save seeds or share them with their neighbors as “thieves.” Already, large agribusiness companies are devoting money and resources to tracking down farmers that engage in such “theft.”

Some of the activities to be carried out by the investors in the Mesoamerican Biological Corridor – such as the classification of species, an inventory of the active chemical components of each substance, and the creation of gene banks – seem designed to stimulate biotechnology efforts and intensify “biopiracy” in the region. This special interest in research on genetic varieties, combined with the Intellectual Property rules under Chapter 8 of the proposed Free Trade Area of the Americas (which allow transnational corporations to sue governments if they do not allow them exclusive patents over species), could set up a situation in which indigenous people are robbed of their rights to use their own medicines.

Under the proposed Free Trade Area of the Americas, this “green” model would expand to include the creation of the Southern Biological Corridor. This biological corridor would extend throughout the width and breadth of South America, with particular focus on the unparalleled resources of the Amazon River basin.

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Additional information provided by Sarah Aird, NISGUA (USA).

## THE PERFECT NEOLIBERAL TREE: GE TREES

As Plan Puebla Panama (PPP) steamrolls over Mexico and Central America it brings the little known threat of genetically engineered (GE) trees. Combined with well-documented impacts of tree plantations on indigenous communities and native forests, GE trees may be the greatest danger to biodiversity since the chainsaw.

Spearheading GE tree research and development in Mexico is Grupo Pulsar. Alfonso Romo, head of Grupo Pulsar, has worked with the Mexican government on the PPP and on the board of Conservation International, a major player in the Mesoamerican Biological Corridor. Additionally, International Paper Company, a key player in the regions' plantation forestry sector, is also the world's largest proponent of GE trees.

The threats posed together by Grupo Pulsar and International Paper with GE trees include:

- Glyphosate resistance. Glyphosate harms insects, fish, birds, small mammals, earthworms, and soil bacteria and fungi. Glyphosate has been linked with cancer, heart disease, osteoporosis, reproductive disorders and respiratory problems.
- Bt toxin. Bt toxin kills non-target insects, contaminates water sources, and creates "super pests" - insects resistant to the toxin, requiring industry to 'control' them using additional chemicals.
- The threats of GE Trees is dramatically increased with the industrialization of forestry accompanying the new infrastructure and privatization of resources under the PPP.

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Brad Hash, Action for Social and Ecological Justice / Action for Community and Ecology in the Region of Central America (ASEJ / ACERCA), USA,  
[www.acerca.org](http://www.acerca.org)

## MAQUILADORAS: THE MARCH (OF SWEATSHOPS) TOWARD THE SOUTH

*La Coordinadora Regional de los Altos de Chiapas (Mexico)*



An integral part of Plan Puebla Panama is a project named "March towards the South" which intends to create all the conditions (labor and infrastructure) required to install corridors for the transnational maquiladora (assembly factory) industry in south-southeast Mexico and eventually throughout Central America.

The establishment of factories through this plan will have at least three primary outcomes:

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1) To lure the local populations off their lands;

2) To permit the exploitation of cheap manual labor; and

3) To resolve, in part, the problem of the migration of undocumented workers into the US from Mexico and Central America.

The issue of the maquiladoras has many other sides to it. Mexican President Vicente Fox and the business class will benefit politically by promoting the idea that the maquiladoras will provide regionally-based jobs. Yet the fact is that it will only be part of a massive project that will result in the wholesale exploitation of the local inhabitants and a profoundly antidemocratic assault on the sovereignty of all the affected countries.

With a growing number of people seeking employment at the maquiladoras, intense competition will reduce the salary levels and increase the number of hours they are required to work. The maquiladoras maintain the upper hand over the workers – at any moment, they can easily move operations to locations that offer more attractive incentives. As incentive, local governments subsidize these transnational companies by lifting tax and duty requirements while forcing their constituents to bear the cost of massive infrastructure requirements through taxes.

This permits transnational corporations to profit behind a smoke screen of fabricated economic statistics that hide the massive and accelerated impoverishment of the people in the region. As a result, the measure of the national economy as a whole, without analyzing the situation of the least protected populations, can be used as the perfect disguise to promote the potential of Plan Puebla Panama. Under the PPP, events will unfold as they did on the northern frontier of Mexico, where thousands of transnational maquiladoras were established after NAFTA's implementation.

When we look at the way these factories operate, we find that they often fire anyone who attempts to organize or fight for better working conditions. These people are added to a blacklist that circulates between the maquilas and restricts their ability to find work. Keeping factory workers docile is the objective.

Supporters of the PPP have successfully hidden the fact that there have been a series of phenomenal social setbacks caused by the continued presence of the maquiladora zone in Northern Mexico. These problems are likely to become more serious in a region where the socio-cultural context is predominantly indigenous and peasant.

- Women are the majority of maquiladora workers, including minors; in this capitalist, patriarchal society, their manual labor is cheaper than that of men. Women and girls also endure the highest levels of exploitation, including sexual harassment.
- The presence of maquiladoras inevitably foments the migration of local

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communities and small towns to the maquila zones. Single women and men leave their families behind, breaking family ties and weakening the social fabric.

- The mode of production in maquilas – essentially superspecialized work carried out with simple and monotonous tasks – generates a syndrome of extreme boredom within the workers that requires a distraction: alcohol or drugs. Because of this, bars and houses of prostitution proliferate where the workers can spend what little they earn.

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**The presence of maquiladoras inevitably foments the migration of local communities and small towns to the maquila zones.**

- In this environment of social decay, the incidence of AIDS, delinquency and violent crime increases dramatically.

Finally, the development of factories in southern Mexico fomented by Plan Puebla Panama will not only attract Mexican indigenous people and farmers but their brothers from Central America, where the poverty is even greater than in Mexico. This will create a greater competition for jobs, which will in turn create downward pressure on wages, and may eventually encourage hostile and xenophobic attitudes toward “foreign migrants who come to steal our jobs,” a factor that will impede their unity as an exploited working class.

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La Coordinadora Regional de los Altos de Chiapas de la Sociedad Civil en Resistencia (Regional Coordinator from the Highlands of Chiapas of Civil Society in Resistance), c/o K'in al Antzetik, Chiapa del Corzo #54 B, Barrio El Cerrillo, San Cristóbal de las Casas, Chiapas, Mexico, coordaltos@laneta.apc.org

**TOXIC LEGACY OF THE MAQUILADORAS**

Proponents of Plan Puebla Panama (PPP) claim that its primary purpose is to increase quality of life for the region's 64 million inhabitants. The main vehicle for accomplishing this goal is the provision of additional low-wage jobs through the construction and expansion of the maquiladora industry (industrial assembly factories) from northern to southern Mexico and throughout Central America.

Yet despite proponents' claims that this expansion of the maquiladora industry will improve inhabitants' quality of life, thirty-seven years of the maquiladora “experience” in northern Mexico have proved otherwise. Maquiladoras in northern Mexico have left a frightening legacy of contaminated waterways that glow green and are void of life. Toxins

emanating from maquiladora plants have resulted in children born without brains, increased cancer rates, disrupted reproductive systems, and increases in respiratory ailments. This is the direct and inevitable result of the high concentration of industrial facilities near population centers that produce and/or use highly toxic substances without regulation, accountability, or penalty.

The variety of toxins to which plant workers are exposed – as they move from job to job and industry to industry without safety controls and training – can cause such a broad range of symptoms that one can refer to the existence of a Maquiladora Occupational Health Syndrome. A 1998 study in the *American Journal of Industrial Medicine* reported that 41% of maquiladora employees surveyed stated that their day's work regularly involved handling chemicals. These workers experienced frequent problems with headaches, fatigue, depression, chest pain, insomnia, memory loss, stomach ailments, dizziness, and lack of sensation in their extremities.

Hazardous materials used by maquiladoras connected to the textile, auto, chemical, and electronic component industries include a wide range of solvents, acids and alkaline substances and other heavy metals. Maquiladoras generate huge levels of toxic waste, but there is little data on how these wastes are actually disposed of due to the poor enforcement and weak regulatory laws.

The problem, from a purely environmental health standpoint, is most acute in water, water delivery, and wastewater treatment systems. Factories discharge wastes, such as arsenic and lead, directly into the overburdened sewage system, which are then received by water treatment systems where they mix with residential wastes. Often designed to treat only residential wastes and lacking any industrial pretreatment program, these municipal treatment facilities then discharge contaminated water directly into the ocean, creeks, or rivers. The impact on fish and wildlife as these contaminants enter the food chain is devastating, and can only be predicted to become worse as they occur in much more delicate, biodiverse environments.

All the countries within the PPP's scope lack the financial resources required for strong environmental enforcement and oversight programs to clean up illegal disposal sites, or to implement appropriate emergency responses. None of these countries keep an inventory of hazardous wastes or have laws requiring industries to publicize basic environmental data on their operations. There are no laws requiring those responsible for generating the waste to pay for clean up. Who will clean up the mess and with what money? Alarming, PPP proponents offer no answer.

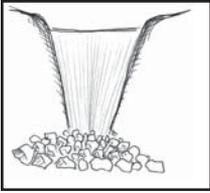
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Adrián Boutureira, Committee for Indigenous Solidarity (CIS) - DC Zapatistas (USA), luchalibre@riseup.net

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## DAMMING THE FUTURE: COMMUNITIES SPEAK OUT AGAINST DAMS

*Monti Aguirre, IRN (USA)*



According to the Inter-American Development Bank (IDB), only eight percent of Central America's hydroelectric potential has been tapped. So to feed industrial development under the PPP, governments and multilateral development banks are planning hundreds of new hydroelectric dams throughout Mesoamerica – nearly one hundred in Costa Rica alone.

Officials at the IDB assert the institution is not funding dam construction. However, the Bank does finance “regional energy integration,” which necessitates enhanced energy generation, and also provides loans for PPP infrastructure, freeing up government monies for “secondary” projects like dams. Without the PPP, dam construction on this scale would simply not be feasible.

Environmentally and socially unaccountable institutions make up the funding gap. For example, the Central American Bank for Economic Integration has committed \$249 million to hydroelectric projects, primarily in Costa Rica and Honduras. Other important dam sponsors include the Japanese Bank for International Cooperation, Mexico's Federal Electricity Commission, and multinational energy corporations.

Providing businesses with this new electricity could inflict a terrible cost on the people and environment of Mesoamerica. Until recently, the proposed Boca del Cerro dam project threatened to harm biodiversity in Guatemala, inundate communities, and destroy archeological sites. Although public pressure successfully halted further consideration of this dam, its mere contemplation disrupted village life, as a number of families fled their homes fearing their lands would be flooded. Such fears were not unfounded. Even the World Bank acknowledges that large-scale projects, such as dams, eject about 10 million people worldwide from their homes every year – a higher figure, on average, than the number of people displaced by war and civil conflict.

So in response to the ongoing threat of massive dam construction, in March 2002 activists held a conference on the subject in Guatemala. This initiative brought together 300 people from throughout the region to share experiences and support each other's struggles, and resulted in the formation of the Mesoamerican Forum against Dam Construction.

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**“We found out that this project would impact more than 40,000 people who would have to abandon their lands and their ancestors' graves.”**

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Members of the Forum say their communities have been systematically excluded from decision-making processes. Cristóbal Gonzáles, a Lenca indigenous representative from Honduras, for example, has criticized the secrecy surrounding the planning process for the El Tigre Dam, a binational project of Honduras and El Salvador.

“We found out that this project would impact more than 40,000 people who would have to abandon their lands and their ancestors’ graves,” he said. “This project would not benefit the Lenca communities – on the contrary, it would kill us because for the Lenca people, life without land is no life at all. Our community includes the forest, land, animals and humans. If one of those elements is gone, the harmony is broken.”

Other dam-affected communities are still seeking compensation for past harms. Perhaps the best-known case is that of the Rio Negro community affected by the Chixoy Dam in Guatemala in the early 1980s. Carlos Chen lost his family when the Guatemalan armed forces massacred villagers at Rio Negro in 1982, leaving 400 dead. According to Carlos, “They said the project represented development, but it was not development for us poor people, but for the developers. And when we spoke of our rights, we were massacred. We want to know why the World Bank and the IDB financed a project during a military regime that caused us so much harm.”

Violence associated with dams continues today. Jacobo Martínez, who lives in San Miguel, El Salvador, has suffered attempts on his life for leading his community’s opposition to the El Chaparral Dam on the Torola River. “We are totally against this project because it threatens us with forced resettlement, cultural destruction, environmental impacts and loss of our sources of income.”

Despite the dangers, Forum members continue organizing locally and regionally. In 2003, they held a second meeting in Honduras, agreeing to share information about upcoming projects and hold project funders accountable for the social, economic and environmental impacts their loans have on local communities.

The Forum’s third meeting is scheduled for El Salvador in July 2004. As the architects of the PPP attempt to unify the region for business interests, the Mesoamerican Forum against Dam Construction offers hope for a people-centered development that does not drown communities and ecosystems for the sake of profit.

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International Rivers Network (IRN), 1847 Berkeley Way, Berkeley, CA 94703 USA, (510) 848-1155, [www.irn.org](http://www.irn.org), [info@irn.org](mailto:info@irn.org). Based on a publication originally published in *World Rivers Review*, Vol. 17, No.3.

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## MILITARIZATION & THE PPP: RIDING SHOTGUN FOR THE BULLDOZERS

*Stephen Bartlett, Agricultural Missions*



For the PPP's success, its promoters must regularly invoke the principle of eminent domain, which allows government officials to appropriate lands, homes, rivers, and forests for 'the common good.' Under this principle, people are displaced by development projects after being promised compensation and replacement housing.

Resistance to this displacement is one of the strongest countervailing forces to Plan Puebla Panama and often triggers the threat or use of force. The PPP offers communities a choice: take whatever money is offered and leave, or be evicted by police, paramilitary, or military forces. Despite such threats, a PPP-related airport project was scrapped at San Salvador Atenco, Mexico, due to popular organized resistance; local indigenous communities in Puebla, Mexico, stopped a PPP road building project known as Plan Millenium; and communities across the region continue to mobilize against displacement by proposed dams.

As resistance against the PPP increases in the region, so does militarization. More and more frequently, government officials label civil society's resistance as "terrorist," justifying US training of their militaries and police at places like School of the Americas (now the Western Hemisphere Institute for Security Cooperation), a school notorious for producing some of the most efficient torturers, murderers and human rights abusers in the hemisphere. In Guatemala, for example, truck drivers protesting new driving regulations face 30 years in prison under the crime of "terrorism" for having used dramatic, but nonviolent, actions to temporarily block roads, while US security forces train Guatemalan police in 'anti-terrorism' techniques. The State Department aims to expand this training throughout the hemisphere by establishing an International Law Enforcement Academy (ILEA) in Central America.

In 1998 the US army initiated a controversial New Horizons plan whereby up to 12,000 US troops may be deployed in Central America for "humanitarian" and "infrastructure" work, or for "joint military exercises." Critics of New Horizons

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**In 1998 the US army initiated a controversial New Horizons plan whereby up to 12,000 US troops may be deployed in Central America for "humanitarian" and "infrastructure" work, or for "joint military exercises."**

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have documented large troop deployments and base construction in areas of strategic importance for Plan Puebla Panama.

For example, in 2003, 400 US reservists were deployed around indigenous Kuna communities near the Pan American Highway in Panama along the border with Colombia; similarly, troops were stationed in the Petén region of Guatemala near the Mexican border, allegedly to dig wells, and build schools and clinics. In early 2004, 1,500 US and 150 Guatemalan troops engaged in military exercises and “charitable” infrastructure building in a related plan called Plan Maya Jaguar, whose “official” purpose is to combat drug trafficking.

These US deployments, coupled with a recent increase in right wing paramilitary activity, have set off alarm bells among citizens with fresh memories of US military complicity in the catastrophic civil wars of Guatemala, El Salvador, and Nicaragua during the 1980s and 1990s. Today, just as then, Mesoamericans have reason to believe the US is complicit in the dramatic increase of politically-motivated assassinations and military repression against civil society leaders and political activists.

Meanwhile, privatization of certain US military functions has led to increased numbers of private security companies acting as virtual mercenary forces, or working in the pay of transnational corporations operating in the region. This practice buffers the US military from accusations of human rights violations, and keeps reports of US casualties off the front pages of US papers.

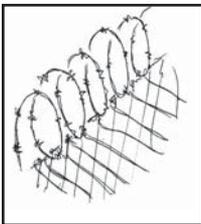
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## **MIGRATION: CONSEQUENCES OF PPP-STYLE “DEVELOPMENT”**

*Macrina Cardenas, MSN (USA)*



Plan Puebla Panama (PPP) is promoted as a “development” plan that will decrease immigration from southern Mexico and Central America to the United States by providing jobs south of the US-Mexico border. If history is our guide, exactly the opposite is likely to occur.

The PPP is the latest in a series of neoliberal economic policies, begun in Mexico in the mid 1960s and in Central America in the 1980s, that have led to increased poverty, lower wages and massive immigration to the United States. The vast majority of this immigration occurred as neoliberal policies decreased economic opportunities for the working class and forced many campesinos (peasants) off their lands.

Mexico is a textbook example. Levels of poverty and extreme poverty have increased dramatically over the last several years. Since the signing of NAFTA in 1994, the percentage of the population living in poverty has increased from 58.5% to an astounding 79%. These statistics tell the real story behind massive

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immigration. Between 1982 and 1996, real wages in Mexico decreased by 80%.

While the neoliberal model brought some factory jobs in low-paying assembly plants, or maquiladoras, nearly two million Mexicans have lost their jobs since 1994. Of these, about a million are from small and medium businesses who can't compete with the likes of WalMart, and about a million are small and medium farmers who can't compete with subsidized grain from the United States. These statistics tell the real story behind massive immigration. The neoliberal model destroys economic opportunities for the working class, forcing them to look north.

The PPP promises more of the same. Under the plan, campesinos will be forced off their lands for the development of transportation corridors, factories and export agriculture; water resources will be diverted for international consumption; and forests and biodiverse ecosystems will be harvested and destroyed. Ultimately, the native population will be forced to look for work in urban centers. It is the same neoliberal story all over again.

In tacit recognition of increased immigration, Mexican President Vicente Fox is increasing military security in southern Mexico in an effort to close the southern border to Central American immigrants. Recently, Fox announced the Regional Development Plan of the Northern Border, which includes security measures that will attempt to seal the northern border as well.

Massive immigration disrupts families and destroys communities, as undocumented workers risk their very lives in search of decent work. The only rational solution is a complete re-thinking of "development," with a focus on the democratic participation of affected populations and production for regional consumption rather than production for export. We must demand an end to corporate-centered neoliberal development through projects like the PPP, and a general amnesty for undocumented workers who have already suffered displacement under these policies.

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**Since the signing of NAFTA in 1994, the percentage of the population living in poverty has increased from 58.5% to an astounding 79%.**

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[Sources: La Jornada, Nov. 21 2001; Alejandro Nadal, economist] Mexico Solidarity Network (MSN), 4834 N. Springfield, Chicago, IL 60625 USA, (773) 583-7728, [www.mexicosolidarity.org](http://www.mexicosolidarity.org), [msn@mexicosolidarity.org](mailto:msn@mexicosolidarity.org)

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# REGIONAL CASE STUDIES

## **GUATEMALA: RAINFORESTS UNDER SIEGE**

*Carlos Albacete, Trópico Verde (Guatemala)*

Approximately one-third of Guatemala – 21,000 square miles – is covered by rainforest, making it one of the most important ecosystems in the world. Due to one of the highest logging rates in the world, about 2% (approximately 480 square miles) of these rainforests are destroyed per year. Yet almost 13,200 square miles of rainforest is currently found in protected areas. These are the areas most threatened by Plan Puebla Panama (PPP).

The Mesoamerican Transportation and Electrical Integration System (SIEPAC) – part of the PPP – will pass right through the Mayan Biosphere Reserve. The proposal consists of the construction of highways, dams and electrical grids which will run right through the heart of the jungle, destroying the beauty and ecological balance of the region. Almost half of the rainforest left in the country – 9,000 square miles – is threatened by this plan.

Recent studies have shown that the construction of highways in the Mayan Biosphere Reserve has brought with it the invasion and destruction of thousands of acres of rainforest. Monitoring by Trópico Verde has found that a road built in the 1980s for oil exploration has facilitated massive illegal logging efforts.

Similarly, almost 60% of the Laguna del Tigre National Park has been seriously affected by invasions precipitated by the construction of a highway. Local authorities are unable (or unwilling) to stop the problem. Consequently, the national park has a greater concentration of cattle grazing than is found in the ranches outside the protected area.

The Guatemalan rainforest is one of the only causes that has the capacity of uniting our whole population. From local residents to city dwellers, everyone understands the importance of saving the jungle. This area is vital for thousands of species of animals and plants which will face the danger of extinction should it disappear.

The only possible way to stop this threat is to generate strong national and international opposition to models of development – like Plan Puebla Panama – that try to enrich a handful of people at the cost of the destruction of nature and the way of life of the local people.

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**Almost half of the rainforest left in the country is threatened by this plan.**

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## NICARAGUA: DRY CANALS VS. COMMUNITIES

*Charles Warpehoski, NicaNet (USA)*

From Philadelphia to London, consumers demand inexpensive blue jeans and hairdryers. United States and Europe fill their lust for inexpensive consumer products by relying on cheap labor, especially from East Asia. The trick is getting the goods from the eastern labor markets to the consumer markets in the eastern United States and Western Europe. The Panama Canal formerly filled this role, but it cannot handle the high shipping volume that consumers crave.

Enter Plan Puebla Panama. A key component of the PPP is the construction of east-west transportation corridors as alternatives to the Panama Canal. At least five such corridors – or “dry canals” – are proposed along Central America’s isthmus, including southern Mexico (Oaxaca), Honduras and El Salvador, and as many as 3 proposals are being considered for Nicaragua.

A dry canal is a high-speed freight rail system, sometimes including an interconnecting road system, with deep-water ports on each end. While promoters of these dry canals promise new jobs and economic development, they will most likely result in environmental destruction, violations of indigenous land rights, and precious few jobs.

For example, two separate dry canal proposals for the Southern Autonomous Regions of Nicaragua (RAAS), supported by the Nicaraguan government, are currently being bid for by the US corporations CINN and SIT Global. The proposals include a 500 foot-wide rail line that would create a formidable barrier for the migration of pumas, jaguars, and other animals that rely on the isthmus of Central America as a north-south migratory route. Indeed, this cut would occur where Nicaragua’s rainforests already face the greatest threats and where what remains of them is most precious.

Furthermore, the proposed canals would open inroads into the forests, encouraging colonization by displaced families and thus increasing the pressure on local ecosystems. Great numbers of villagers searching for firewood, building materials, and dinner meat would surely spell the death-knell for large sections of Nicaragua’s rainforests.

While the environmental arguments themselves are damning, the effects on Nicaragua’s indigenous and Afro-Nicaraguan communities could be devastating. Under Nicaragua’s Constitution and Autonomy Law, the traditional lands of the indigenous and ethnic communities of eastern Nicaragua are protected communal lands that cannot be bought or sold.

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**By “buying” lands that rightfully belong to the indigenous people, dry canal investors are willing to flaunt the Constitution and the rights of local people to make their mega-project a reality.**

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Yet while the Constitution protects indigenous lands, there has never been demarcation of their lands to grant communal titles. Without this crucial step, the promises of the Constitution and Autonomy Law remain just words on paper.

By “buying” lands that rightfully belong to the indigenous people, dry canal investors are willing to flaunt the Constitution and the rights of local people to make their mega-project a reality. Canal proponents claim that new jobs will offset the destruction of the rainforest and the violation of land rights. However, most of these would be temporary construction jobs that will disappear after the ecosystems and communities are destroyed.

In a recent meeting with affected indigenous and Afro-Nicaraguan communities, a representative of one of the canal consortiums declared that the project would begin “with or without demarcation [of indigenous land].”

The indigenous and ethnic communities of Nicaragua oppose such disregard for their land rights. At that same meeting, an indigenous community leader declared, “To say that the project will be carried out with or without demarcation is an outrage... If we don’t have demarcation, we can’t say that this project will continue.” Northern solidarity must support these demands for land rights and autonomy.

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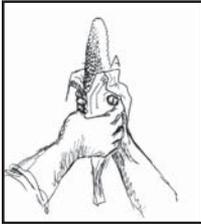
Nicaragua Network (NicaNet), 1247 E St, SE, Washington, DC 20003 USA, (202) 544-9355, [www.nicanet.org](http://www.nicanet.org), [nicanet@afgj.org](mailto:nicanet@afgj.org)

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# RESISTANCE AND ALTERNATIVES

## BUILDING A SOLIDARITY ECONOMY IN MESOAMERICA

*Yael Falicov, IDEX (USA)*



*“Plan Puebla Panama is much greater than Zapatismo or some indigenous community in Chiapas.”*

*-Vicente Fox*

With these words, President Fox of Mexico revealed the true face of Plan Puebla Panama’s development model: one that requires the displacement of the indigenous people from the countryside. In the face of this threat, indigenous and campesino (peasant) groups from all over the Mesoamerican region are responding with their own development models based on existing grassroots initiatives.

Some groups in Oaxaca and Guatemala call it the Campesino Economy, while in Chiapas and Nicaragua it is called the Solidarity Economy, but the goal is the same: to build a regional economy based on mutual support between not only local producers and consumers but between producers themselves. A key to this model is the use of sustainable (or organic) farming techniques so as to end the small farmers’ dependence on transnational corporations that sell them chemical fertilizers and pesticides, inputs that ultimately destroy the soil. Another core tenet is the organization of cooperatives, a strategy that prioritizes solidarity and fundamental indigenous values. These strategies are founded on the central principle of indigenous autonomy or indigenous self-determination.

Some communities focus on growing subsistence crops so as to increase their food security. Others see a role for both the cornfield and the coffee plot – in other words, they produce corn and beans for their own consumption and one or more products – such as organic coffee – for sale. Products such as organic beef or honey are often sold to other villages or in local markets or, in the case of organic coffee, sold through “fair trade” networks. “Fair trade” retailers appeal to consumers who are willing pay higher prices, so long as the money goes straight to the small farmer or artisan. The product is environmentally friendly, and the process protects the workers’ physical and economic health.

Throughout Southern Mexico, many communities and organizations practice the sustainable harvesting of forest products, while others grow indigenous products such as ixtle (a natural clothing fiber extracted from the agave plant) as a way to maintain their culture and improve their economic conditions. Many of

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these groups have united to fight against the incursion of industrial eucalyptus plantations and the construction of huge dams on their lands.

Some of these communities are now working together to find independently-financed ways to strengthen local economies, encourage the full participation of women, and protect the environment. This intensive planning process – which is taking place in the Mexican states of Veracruz, Chiapas, Oaxaca and Guerrero – has culminated in a series of Regional Development Plans. These documents offer a true alternative to the PPP written directly by the people most affected by the plan, rather than at the initiative of governments or transnational corporations.

The existence of a solidarity economy or campesino economy is not an isolated phenomenon – it can be found throughout Mesoamerica, fomented by strong networks and organizations such as DESMI, UCIZONI, CAMPO, Tojtzotzelt, Majomut, ISMAM, UCIRI, CUC, CONIC and COPINH amongst many others. Plan Puebla Panama not only ignores the existence of this strong movement for sustainable development, but it threatens to destroy it. Given this danger, it is crucial that we support and promote the efforts of our indigenous and peasant sisters and brothers.

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International Development Exchange (IDEX), 827 Valencia St., Suite 101, San Francisco, CA 94110-1736 USA, (415) 824-8384, [www.idex.org](http://www.idex.org), [info@idex.org](mailto:info@idex.org)  
Additional information provided by Carlos Beas Torres, UCIZONI (Oaxaca, Mexico).

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## THE ZAPATISTAS RESIST AND CREATE

*Adrian Boutureira, CIS - DC Zapatistas (USA)*



“No to the PPP, no to the trans-isthmus mega-project, no to anything that means the sale or destruction of the home of the Indians,” wrote ‘subcomandante’ Marcos from an EZLN\* base in Chiapas, where in July, 2003, thousands of indigenous peoples blocked the main roads in protest against the PPP.

Since their uprising in 1994, the Zapatistas have stood in firm opposition to all initiatives that exclude, disempower, and exploit indigenous peoples, and that aim to fragment and forfeit Mexico’s economic and political integrity. The PPP is such an initiative [1].

The Zapatistas have identified the PPP as a “fragmentist” project that aims to divide Mexico into three economic parts: the north with its states incorporated into the productivity and commercial framework of the US; the central region as the primary hub of consumers with purchasing power; and the south-

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east, which is to be sacrificed for the appropriation of natural resources. In its historical context, the PPP is also viewed as a neoliberal scheme based on a 512-year-old imperialist model of “development” (i.e. conquest, theft and oppression) that again aims to displace indigenous populations from their rich ancestral territories to “reintegrate” them elsewhere through labor exploitation into an economic dynamic that serves the interests of the “Empire.”

As the land-shark and infrastructure development henchman for CAFTA and the FTAA, the PPP will demand the use of huge tracks of “real estate” for its mega-highways, hydroelectric dams, dry canals, and sweatshop belts. Much of this land-use will crisscross indigenous territories throughout Mesoamerica. In spite of this, the international financial institutions, neoliberal governments and multinational corporations implementing the PPP have failed to truly consult with the 14 million indigenous people who live in these territories and who would inevitably see their traditional lands and culture irreversibly infringed upon, if not destroyed forever, by the PPP.

To this, the Zapatistas have clearly said: “Ya Basta! Never again a world without us!”

On August 9th, 2003, the EZLN declared the creation of “Juntas of Good Government” in the five territorial zones under its control, now called Los Caracoles. After years of deceptions, lies, and stalling by the Mexican Government around the implementation of the 1996 San Andrés Accords[2], which recognize the right to self-determination and autonomy of indigenous peoples and to their own forms of electing local authorities, Los Caracoles have unilaterally put the accords into practice.

Meanwhile, President Fox has offered conciliatory speeches to calm the nerves of foreign investors, the Mexican elite and multilateral institutions vested in the privatization of strategic resources in Chiapas[3], and continues to use “low intensity warfare” strategies against the Zapatista communities (i.e. harassment, intimidation, military encirclement, economic blackmail, paramilitary violence, community displacement) hoping to break their resolve.

With their resolve intact, the EZLN has declared that any implementation of the PPP will not be allowed in their territories, and have instead put forth their own plan, called Plan La Realidad-Tijuana. The plan brings forth seven accords and seven demands, which embrace principles born out of the experience of the Zapatista communities. In a stark departure from the PPP’s model, this plan invites independent social organizations, the State and political parties to participate in a democratic process of consultation to “discuss, approve and expand upon the plan” before it is implemented.

“...Plan La Realidad-Tijuana links all of the various forms of resistance across the country in order to ‘reconstruct’ the nation. This is a plan without a budget, functionaries or offices. It relies on the people, in their own localities, time, and manner, to resist the pillaging of the nation by fighting for true national democracy, liberty and justice.” [4]

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\* Zapatista National Liberation Army

[1] Subcomandante Marcos. Chiapas, August 2nd, 2003- Thirteen Stele, Part IV-

[2] Accords full text: [http://flag.blackened.net/revolt/mexico/ezln/san\\_andres.html](http://flag.blackened.net/revolt/mexico/ezln/san_andres.html)

[3] Gustavo Castro -<http://www.ciepac.org/analysis/index.html>

[4] Comandante Brusli. Oventik, August 9, 2003 -translated by author

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Adrián Boutoureira, Committee for Indigenous Solidarity (CIS) -DC Zapatistas, USA,  
luchalibre@riseup.net

### **PLAN LA REALIDAD-TIJUANA\***

Accords:

1) Reciprocal respect for all aspects of the autonomy and independence of social organizations of workers, campesinos, indigenous, women, elders, gays, lesbians, transsexuals, sex workers, young working persons, children, neighborhoods, teachers, small shop owners, debtors, artists, intellectuals, religious persons - for their processes and decision making methods, for their legitimate representatives, for their aspirations and demands, and for the accords which they reach with their opposing sides;

2) The promotion of self-governance and self-administration throughout the national territory;

3) The promotion of rebellion and peaceful civil resistance in the face of bad government and political parties;

4) Unconditional solidarity with the one who is attacked, and not with the aggressor;

5) To form a network of basic intercommunity commerce and promote basic consumption in national shops, giving preference to small and mid-sized business and informal commerce;

6) Joint and coordinated defense of national sovereignty and direct and radical opposition to impending privatizations of the electric industry, oil and other natural resources;

7) To form a network of information and culture on a local, regional and national scale in order to demand true and balanced information from the media.

Demands:

1) The land belongs to the one who works it. In defense of ejidal and communal ownership of the land, and the protection and defense of natural resources. Nothing without the knowledge and prior consent of the inhabitants and workers of each place.

2) Dignified work, a fair wage for everyone.

3) Dignified housing for everyone.

4) Free public health for everyone.

5) Low cost food and clothing for everyone.

6) Free secular education for children and young people.

7) Respect for the dignity of women, children and the elderly.

\*The EZLN has called for the Plan to be internationalized under four other names. For the five continents the plan is the same. To fight against neoliberalism and for humanity:

US and Canada: “Plan Morelia-Polo Norte”

Caribbean Central and South America: “Plan La Garrucha-Tierra del Fuego”

Europe and Africa: “Plan Oventik-Moscú”

Asia y Oceanía: “Plan Roberto Barrios-Nueva Delhi”

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EZLN Mexico. Translated and compiled by Adrián Boutureira, Committee for Indigenous Solidarity (CIS) - DC Zapatistas, USA luchalibre@riseup.net

## **RESISTANCE TO THE PPP THROUGH CROSS-BORDER COMMUNICATIONS/MEDIA ORGANIZING**

*COMPPA (Mexico)*



Throughout Mesoamerica, social movements have begun to include communications and media as an important and crucial component of their overall strategies of resistance against the PPP and neoliberalism. This has led to the formation of locally-based media alternatives: autonomous and popular communicators who disseminate the voices, views, alternatives to, and protests against, the PPP on the local, regional, and international level.

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For example, the Chiapas Independent Media Center has covered anti-PPP forums, events, and issues using the Chiapas indymedia web-site. However, there is growing awareness that the indymedia network is only one solution reaching a limited audience with Internet access.

Throughout the resistance-building to the PPP, community-based organizations have expressed the need to produce their own materials and create autonomous media outlets. One organization, which grew in direct response to this dialogue, is COMPPA – the Coalition of Popular Communicators for Autonomy – that provides: exchanges between indigenous, campesino and popular organizations; equipment; and training in radio, video, popular communications, journalism and web-based media skills.

In June 2003 COMPPA worked closely with the grassroots indigenous organization COPINH in Honduras to construct and install a 50-watt FM transmitter, giving life to COPINH's own low power radio station – La Voz Lenca. As part of the training, COMPPA and COPINH collaboratively covered the Forum Against Dams and the Week of Biological and Cultural Diversity, broadcasting live interviews and updates. The impact was immediate and resounding as people gathered where the radio and temporary studio was installed to listen, comment and invite others to join in the conversations.

Since then, COMPPA has helped organize the Alternative Media Tech Convergence, drawing 150 participants from throughout the Americas to Cancun for the WTO protests. Additionally, COMPPA collaborated with the community-based organization UCIZONI in Oaxaca to work on popular communications, radio production and programming; and in Guatemala with the APVP, a coalition of indigenous organizations, to conduct an exchange with popular communicators from both COPINH and UCIZONI.

Zapatista Subcomandante Marcos once said: “The independent media has a life's work, a political project, and a purpose: to let the truth be known. This is increasingly more important in the globalization process. Truth becomes a knot of resistance against the lie...”<sup>1</sup>

Efforts like those of the EZLN in Chiapas, COPINH in Honduras, UCIZONI in Oaxaca, APVP in the Petén, and all those involved in the networks against the PPP, CAFTA, and the FTAA, have begun to use their “Word as a Weapon” against annihilation, for the construction of alternatives and for a life with peace, justice and dignity.

<sup>1</sup> “On Independent Media, January 31, 1997, a message from Subcomandante Insurgente Marcos to “Free Media” Teach-In, NYC. [www.chiapas.indymedia.org](http://www.chiapas.indymedia.org)

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## **NUEVALIBERTAD:**

### **An Example of Solidarity Economy at the Village Level**

*Martha Sánchez, DESMI (Mexico)*



This innovative community-based initiative is one of hundreds of local alternatives to Plan Puebla Panama. In the community of Nueva Libertad, municipality of Tzimol in the Mexican state of Chiapas, the residents live on lands that were once massive plantations, on which grandparents, parents and children all toiled for the owner. Eventually, they organized themselves to defend their economic, social and political rights. Once they achieved land reform, they collectively began a variety of community development projects.

Currently the community consists of about 80 families organized into two cooperatives of 30 families and 50 families each. On a community-wide level, there is an agreement: all products and services offered are the fruit of collective organization. Individual businesses are not allowed.

The families mainly grow corn, but they also have grocery stores, a bakery, a corn mill and a freight company. They have historically suffered from the low prices paid for their products, a problem exacerbated by the fact that they continue to use soil-depleting chemical fertilizers and pesticides. These problems have been compounded by NAFTA and the increasing importation of cheap US corn.

One cooperative has excelled in integrating social benefits with economic development, creating an independent health care system and an autonomous education program. They also have begun marketing their own corn as a cooperative, a new process in which all 30 families are participating. So far, they have only achieved limited success due to a major drop in corn prices. Yet self-marketing has helped the cooperative avoid the need to sell through middlemen before the harvest and then, during times of scarcity, have to buy it back at double the price.

The residents of Nueva Libertad believe that a better life – true social and economic justice – will be the product of their own hard work towards the construction of a new society. With this consciousness they have forged links of solidarity with cooperatives in neighboring villages. They are seeking ways to improve their community businesses and start new initiatives through getting trained in cooperative administration, accounting, and organic agriculture. b

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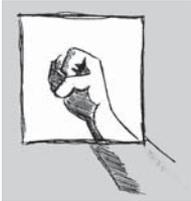
Desarrollo Económico Social de los Mexicanos Indígenas (DESMI / Economic and Social Development of Indigenous Mexicans), Apdo. Postal 65, San Cristóbal de las Casas, Chiapas, Mexico, CP 29200, (52) 967-678-1248, [www.oneworld.org/recepac/chiapas/desmi.htm](http://www.oneworld.org/recepac/chiapas/desmi.htm), [desmiac@laneta.apc.org](mailto:desmiac@laneta.apc.org)

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# CALL TO ACTION

## CALL TO ACTION

*Gustavo Castro Soto, CIEPAC (Mexico)*



Multinational corporations and their investors only want one thing: to increase their profits. In order to achieve this, they need continual access to raw materials, cheap labor and new markets. And they have a powerful weapon in their favor: the enormous debt accumulated by countries in the Global South, with interest rates so high that governments have now repaid the original loans many times over.

Millions of dollars in debt repayment flee annually from the South to the North, further enriching the coffers of the industrialized G8 countries, where the most powerful corporations reside. This indentured servitude is enforced by the dominant multilateral institutions: the World Bank and the International Monetary Fund. The debt allows the creditors to impose conditions on the countries receiving loans – conditions such as those created by Plan Puebla Panama.

The major corporations hope that the PPP will lower the costs of transportation, labor, and inputs, while freeing them of other costs of production (tariffs, taxes, regulations, etc.). They are seeking direct channels from the region to all the major markets of the world, as well as guaranteeing that the U.S. will have unlimited access to energy sources (oil, gas, uranium and hydroelectric power) and raw materials (tropical wood, water, minerals, and genetic biodiversity).

Moreover, the 64 million residents of the region (27 million in southern and southeast Mexico and 37 million in Central America), most of them living in poverty, represent a “competitive” pool of cheap labor whose wages range between 25 and 50 cents an hour. Corporations can take advantage of weak governments that have signed so-called “free trade agreements,” virtually opening their borders completely to corporate dominance.

Yet the corporations that wish to plunder this treasure trove are faced with a great obstacle: the riches that they so desire are found on lands that do not belong to them. They are under the feet of indigenous people and small farmers, the poorest people of the continent. Therefore, the displacement of the small farmer is the dominant, immediate strategy.

The PPP tries to drag the peasant towards what is called “development,” to push them off their lands to cities in which they are promised respect, good health and education, and good jobs at decent wages at the infamous maquiladoras. However, these factories have been able to achieve comparative advantage by not respecting labor rights, by not paying taxes nor tariffs, and by

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hiring young women and children who can be exploited at lower wages for longer hours.

Ironically, those who will pay for all this are the same poor people who are being displaced, through higher taxes imposed by their governments. Those governments are going even further into massive debt, taking out an initial \$4 billion worth of loans from the Inter-American Development Bank to build the PPP infrastructure.

The infrastructure required by the new colonial era will have to pass through the land and the blood of the indigenous peoples and the peasants, facing unrelenting struggles of resistance. Already, the building of new highways, hydroelectric dams, industrial corridors and other megaprojects is costing lives and displacing villagers from their lands while causing deforestation and irreversible environmental damage.

Plan Puebla Panama is a regional expression of the dominant economic model, which tries to “liberate” governments from their role as regulator of the economy and their social responsibility; to “liberate” the multinationals from their environmental responsibility and their obligation to respect human rights, workers and indigenous peoples; to “liberate” investors from having to pay taxes or having to distribute their wealth. It is the responsibility of all the citizens of the world to reign in this abuse of power.

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**Here in the South, the alliances, the resistance and the alternatives we are building are already generating hope. We welcome you to join us with open arms.**

It is possible to envision a world in which many different worlds fit, because no one model is eternal. There is enough wealth for everyone. It is possible to create an inclusive world without racism, in which peace, democracy, justice, development, gender equity and respect for the environment can bring us all

together thanks to the diversity of our languages, cultures and races. Here in the South, the alliances, the resistance and the alternatives we are building are already generating hope. We welcome you to join us with open arms.

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Centro de Investigaciones Económicas y Políticas de Acción Comunitaria (CIEPAC / Center of Economic and Political Research for Community Action), Eje Vial Uno, No. 11, Col. Jardines de Vista Hermosa, 29297 San Cristóbal, Chiapas, Mexico, (52) 967- 678-5832, [www.ciepac.org](http://www.ciepac.org), [ciepac@laneta.apc.org](mailto:ciepac@laneta.apc.org)

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## DECLARATION OF THE IV MESOAMERICAN FORUM “FOR SELF DETERMINATION AND PEOPLES’ RESISTANCE”

Affirming “Another Mesoamerica is Possible,” more than 1400 delegates from Mesoamerican civil society met from July 21-24 2003 in Tegucigalpa, Honduras, to define strategies to defeat the beast of neoliberalism.

Declaration Excerpts:

“We have observed how more than 20 years of structural adjustment, deregulation, privatization, and extreme indebtedness have led to greater poverty and unemployment, increasingly precarious labor conditions, more migration, increased ecological destruction, greater food insecurity, less access to public services, and a systematic violation of economic, social and cultural rights, especially among youth, women, indigenous peoples, and those of African descent.

We have seen how the strategies of imperialist domination have taken a qualitative leap in the 1990s, starting with structural adjustment policies pushed by multilateral lenders and imposed through conditioned loans. The World Trade Organization has established a set of norms that trump State laws and convert the privileges of transnational corporations into rights, in a clear bid to create a planetary constitution favoring the ‘rights of capital.’

By means of free trade agreements (NAFTA, FTAA), our laws are trumped by the logic of profit-taking. This also creates a need for new infrastructure development (Plan Puebla Panama) – financed through debt and public resources – that will guarantee the optimal functioning of transnational capital, thus rendering our peoples even more dependent upon, and vulnerable to, the whims of such economic policies and transnational corporations.

For the U.S., the free trade agenda constitutes a fundamental part of its new national security strategy, which – from a militarist, unilateral perspective – then justifies repression against those who resist these transnational projects of domination.”

*Among the political agreements, the following are highlights:*

- “Gender perspectives must be considered in the demands, practice, and follow-up of this forum, guaranteeing the participation of women in determining its content, themes and methodology.”
- “Free Trade Agreements, Plan Puebla Panama, and the FTAA negotiations promote an investment scheme based on sweatshop (maquiladora) production whose goal is labor “flexibility” and exploitation of working people, primarily women. We demand the fulfillment of labor rights and establishment of national employment policies that offer decent work.”

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- “Privatization of public services has shown a clear trend to rising prices, the consolidation of private monopolies and oligopolies, the stimulation of corruption, and threats to sovereignty and the cultures of the Mesoamerican peoples. We reject the commodification of public services, which we consider fundamental human rights.”

- “Mesoamerica is one of the richest, most biologically diverse regions on the planet. Armed with intellectual property rights, corporations threaten to plunder animal and plant species and usurp traditional indigenous knowledge. We reject the use of Intellectual Property Rights and related investments to legitimize biopiracy.”

- “We will not tolerate repression against indigenous and Afro-descendent communities who resist Plan Puebla Panama projects and commercial agreements. These initiatives threaten to displace peoples from ancestral lands for dam and road construction.”

- “Neoliberal reforms and policies have led to the destruction of small-scale agriculture among farmers and indigenous peoples in Mesoamerica and to a deepening of rural poverty. It has also allowed the re-concentration of lands into few hands. We reject economic policies that lead to the loss of food security and make the region dependent on food imports.”

- “We favor national development agendas based on democratic principles that are sustainable and reduce social inequalities – projects that can exist only when our national governments wrest control of public policy away from trade agreements.”

- “In building Mesoamerican alternatives, we recognize the importance of a solidarity economy to satisfy human needs. We call for national development programs that generate opportunities for the people and make emigration unnecessary.”

- “We support an authentic process of Mesoamerican integration, based on cooperative economic, social, environmental, cultural, technical, and energy agreements.”

- “We demand the de-militarization of our countries, the immediate withdrawal of U.S. military bases, the de-commissioning of military supply stations, the elimination of military budgets for our armies, and the transfer of these funds for social development.”

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# RESOURCES

## **Listservs:**

To join the PPP information listserv, send a blank email to:  
[noppinfo@mutualaid.org](mailto:noppinfo@mutualaid.org)

To join the PPP organizing listserv, send an email with your request to:  
[nopporganizing@mutualaid.org](mailto:nopporganizing@mutualaid.org)

## **Network Opposed to Plan Puebla Panama (Partial list)**

Action for Social and Ecological Justice / Action for Community and Ecology in the Regions of Central America (ASEJ / ACERCA)

[www.acerca.org](http://www.acerca.org)

Agricultural Missions [sbartlett@ag-missions.org](mailto:sbartlett@ag-missions.org)

Beehive Design Collective [www.beehivecollective.org](http://www.beehivecollective.org)

Center for Economic Justice (CEJ) [www.econjustice.net](http://www.econjustice.net),

[mvu@econjustice.net](mailto:mvu@econjustice.net)

Committee in Solidarity with the People of El Salvador (CISPES)

[www.cispes.org](http://www.cispes.org)

Committee for Indigenous Solidarity (CIS)-DC Zapatistas [cisdc@zzapp.org](mailto:cisdc@zzapp.org)

DataCenter [www.datacenter.org](http://www.datacenter.org)

Global Exchange [www.globalexchange.org](http://www.globalexchange.org)

Grassroots International [www.grassrootsonline.org](http://www.grassrootsonline.org)

Ecumenical Program on Central America and the Caribbean (EPICA)

[www.epica.org](http://www.epica.org)

International Development Exchange (IDEX) [www.idex.org](http://www.idex.org)

International Rivers Network (IRN) [www.irn.org](http://www.irn.org)

Maryknoll Office for Global Concerns [www.maryknoll.org](http://www.maryknoll.org)

Mexico Solidarity Network (MSN) [www.mexicosolidarity.org](http://www.mexicosolidarity.org)

Nicaragua Network (NicaNet) [www.nicanet.org](http://www.nicanet.org)

Network in Solidarity with the People of Guatemala (NISGUA)

[www.nisgua.org](http://www.nisgua.org)

Rights Action [www.rightsaction.org](http://www.rightsaction.org)

Social Justice Committee of Canada (SJC) [www.s-j-c.net](http://www.s-j-c.net)

*Affiliate:* Wales Nicaragua Solidarity Campaign [benica@gn.apc.org](mailto:benica@gn.apc.org)

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## PPP WEBLIOGRAPHY

Note: These links are updated regularly at [www.datacenter.org/research/ppp.htm](http://www.datacenter.org/research/ppp.htm) .

### Inter Governmental Websites

Inter-American Development Bank: [www.iadb.org/ppp](http://www.iadb.org/ppp)  
Central American Bank of Economic Integration (CABEI): [www.bcie.org](http://www.bcie.org)  
General Secretariat of the System for Central American Integration: [www.sgsica.org](http://www.sgsica.org)  
Secretariat for Central American Economic Integration: [www.sieca.org.gt](http://www.sieca.org.gt)

### Maps of PPP Areas

Interaction- detailed Mesoamerica map [www.interaction.org/library/detail.php?id=1946](http://www.interaction.org/library/detail.php?id=1946)  
CIEPAC- various maps of Mesoamerica [www.ciepac.org/maps/categoryindex.htm](http://www.ciepac.org/maps/categoryindex.htm)  
Mexican Tehuantepec Isthmus [www.laneta.apc.org/oaxaca/final/indexmeg.html](http://www.laneta.apc.org/oaxaca/final/indexmeg.html)  
[www.laneta.apc.org/oaxaca/megaproyecto/mapaschicos/Mcuadro2/mapasc2.html](http://www.laneta.apc.org/oaxaca/megaproyecto/mapaschicos/Mcuadro2/mapasc2.html)  
[www.laneta.apc.org/oaxaca/megaproyecto/mapaschicos/Mcuadro1/mapa06.html](http://www.laneta.apc.org/oaxaca/megaproyecto/mapaschicos/Mcuadro1/mapa06.html)

### Organizations, Networks and Resources in the PPP Region

Asociación de Comunidades Forestales de Petén – ACOFOP, Guatemala [www.acofop.org](http://www.acofop.org)  
Cáritas Panamá [www.caritaspanama.org](http://www.caritaspanama.org)  
Centro de Estudios Internacionales – CEI, Nicaragua [www.ceinicaragua.org.ni](http://www.ceinicaragua.org.ni)  
Centro de Investigaciones Económicas y Políticas de Acción Comunitaria/The Center for Economic and Political Research for Community Action-CIEPAC, Mexico [www.ciepac.org](http://www.ciepac.org)  
Centro de Medios Independientes-Chiapas/Chiapas Independent Media Center, Mexico [chiapas.mediosindependientes.org](http://chiapas.mediosindependientes.org)  
Centro para la Defensa del Consumidor – CDC, El Salvador [www.cdc.org.sv](http://www.cdc.org.sv)  
Consejo Cívico de Organizaciones Populares e Indígenas de Honduras –

COPINH [rds.org.hn/copinh](http://rds.org.hn/copinh)  
Convergencia de Movimientos de los Pueblos de las Américas - COMPA [www.sitiocompa.org/compa/index.php](http://www.sitiocompa.org/compa/index.php)  
Encuentro Popular – Costa Rica [www.encuentropopular.org](http://www.encuentropopular.org)  
Grupo de Trabajo Colectivo del Istmo de Tehuantepec – GTCI, Mexico [www.rnesoamericaresiste.org](http://www.rnesoamericaresiste.org)  
Investigación Rural: Todo sobre el Plan Puebla Panamá y la Resistencia Latina [www.geocities.com/investigacion\\_rural/ppp.htm](http://www.geocities.com/investigacion_rural/ppp.htm)  
Red Mexicana de Acción Frente al Libre Comercio – RMALC, Mexico [www.rmalc.org.mx/ppp.htm](http://www.rmalc.org.mx/ppp.htm)  
Mesa Global de Guatemala [www.mesaglobal.net](http://www.mesaglobal.net)  
Trópico Verde, Guatemala [www.tropicoverde.org](http://www.tropicoverde.org)

### Mesoamerican Forums

III Semana de Diversidad Biológica y Cultural, 2003 [www.foroshonduras.org.hn/biod.htm](http://www.foroshonduras.org.hn/biod.htm)  
IV Foro Mesoamericano por la Autodeterminación y Resistencia de los Pueblos, 2003 [www.4foromesoamericano.com](http://www.4foromesoamericano.com)  
Diversidad Biológica – Diversidad Cultural, 2001 [www.laneta.apc.org/biodiversidad](http://www.laneta.apc.org/biodiversidad)  
Foro Xelajú en Guatemala 2001 [www.usuarios.lycos.es/xelaju/xela.htm](http://www.usuarios.lycos.es/xelaju/xela.htm)

### U.S. and Canadian Sites

Alternatives pour un Monde Différent [www.alternatives.ca](http://www.alternatives.ca)  
InterHemispheric Resource Center [www.americaspolicy.org](http://www.americaspolicy.org)  
Resource Center of the Americas [www.americas.org](http://www.americas.org)  
Bank Information Center [www.bicusa.org/lac/PPP.htm](http://www.bicusa.org/lac/PPP.htm)  
InterAction [www.interaction.org](http://www.interaction.org)  
Maquila Solidarity Network [www.maquilasolidarity.org/resources/maquilas/planpuebla.htm](http://www.maquilasolidarity.org/resources/maquilas/planpuebla.htm)

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[www.agriculturalmissions.org](http://www.agriculturalmissions.org), [sbartlett@ag-missions.org](mailto:sbartlett@ag-missions.org),

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[www.datacenter.org](http://www.datacenter.org) [datacenter@datacenter.org](mailto:datacenter@datacenter.org)

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[www.epica.org](http://www.epica.org), [alternatives@epica.org](mailto:alternatives@epica.org)

### **Mexico Solidarity Network (MSN)**

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[www.mexicosolidarity.org](http://www.mexicosolidarity.org) [msn@mexicosolidarity.org](mailto:msn@mexicosolidarity.org)

### **Network in Solidarity with the People of Guatemala (NISGUA)**

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Fax: (202) 223-8221

[www.nisgua.org](http://www.nisgua.org) [nisgua@igc.org](mailto:nisgua@igc.org)

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